

The MALLING of America

By ASHISH KUMAR SEN

The opening of the Southdale Center in the Minneapolis suburb of Edina, Minnesota, in October 1956 heralded what author William S. Kowinski later described as the “mallings of America.”

It was certainly not the first shopping center in the United States, but this one was different. Southdale, the brainchild of Austrian-born architect Victor Gruen, was the first fully enclosed, climate-controlled shopping center with a two-level design. It had central air conditioning and heating, a garden courtyard, which was, at the time, one of the largest indoor public spaces in America, a theater, orchestra, goldfish pond, aviary, hanging plants and artificial trees. “Gruen wanted to recreate the Viennese Plaza in Edina,” says James J. Farrell, the author of *One Nation Under Goods: Malls and the Seductions of American Shopping*.

A refugee who had fled the Nazis and arrived in New York in 1938, Gruen was regarded as a pioneer in modern store design. His plan for Southdale, which would serve as a blueprint for future malls



Courtesy Mall of America

across the United States, encouraged shoppers to spend more time at the center. “More people—for more hours—means cash registers ringing more often and for longer periods,” he wrote in 1973.

Most industry professionals consider Southdale Center the first modern regional mall. In a 1956 interview, Herman Guttman, the original project manager of the Southdale Center, noted that there were “some people who at the time were quoted as saying Southdale would never be repeated, but they turned out to be dead wrong.”

Kowinski, who spent two years traveling across the United States studying the phenomenon of the shopping mall, notes in his book, *The Malling of America*, that shopping malls have become a way of life. “There are more shopping centers in the United States than movie theaters [and most movie theaters are now in shopping centers]. There are more shopping centers

The West Market inside Mall of America in Bloomington, Minnesota, America’s largest retail and entertainment complex.

Shopping malls have become a way of life in America.

There are more shopping centers than movie theaters, school districts, hotels or hospitals.

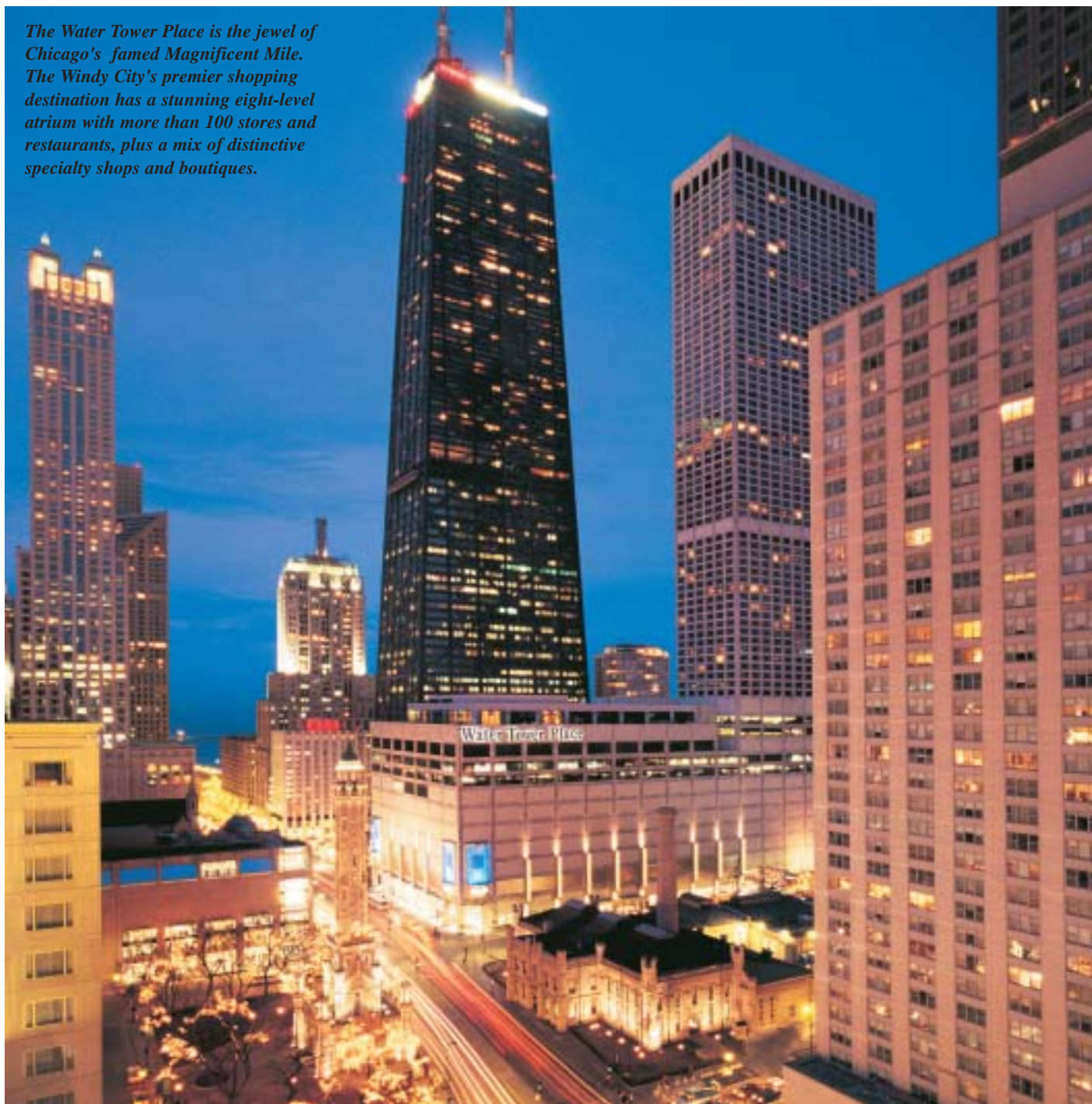
There are more malls than cities, colleges or television stations.

The shopping center space has increased by a factor of 12 in the last 40 years.



Courtesy Mall of America

The Water Tower Place is the jewel of Chicago's famed Magnificent Mile. The Windy City's premier shopping destination has a stunning eight-level atrium with more than 100 stores and restaurants, plus a mix of distinctive specialty shops and boutiques.



Courtesy General Growth Opportunities Inc.

than school districts, hotels or hospitals. There are more malls than cities, four-year colleges or television stations,” he says. Farrell, who teaches history and is director of American studies at St. Olaf College in Northfield, Minnesota, says shopping center space has increased by a factor of 12 in the last 40 years. By 2000, there were more than 45,000 shopping

malls in the United States, with 5.47 billion square feet of gross leaseable space.

Nancy E. Cohen, author of *America's Marketplace: The History of Shopping Centers*, writes that between 1860 and 1910, “such merchants as John Wanamaker in Philadelphia, R.H. Macy in New York and Marshall Field in Chicago built multi-story retail palaces, where attentive

sales clerks fit calfskin gloves, cut yards of lace and fetched an array of merchandise for the carriage trade.” But the modern shopping center had its genesis in the 1920s, according to the New York City-based International Council of Shopping Centers (ICSC).

The concept of developing a shopping district away from a downtown is general-

ly attributed to J.C. Nichols of Kansas City, Missouri. His Country Club Plaza, which opened in 1922, was constructed as the business district for a large-scale residential development. It featured unified architecture, paved and lighted parking lots, and was managed and operated as a single unit.

Cohen writes: "The supermarkets that were replacing the corner grocer typically led the way into the suburbs. The proliferation of the refrigerator—a fixture in 91 percent of homes by 1954—had freed shoppers from a once-daily chore; they could now load up their cars and fridges with a week's worth of groceries. But that required parking. Supermarket chains had begun expanding into the suburbs by building their own stores along the roadways; later, they built a complementary strip of stores."

In the 1930s and '40s, Sears, Roebuck and Co. and Montgomery Ward set up large freestanding stores with on-site parking away from the big cities. In 1976, the country's first urban vertical mall, Water Tower Place, opened in Chicago on Michigan Avenue. To many industry experts, this mall with its stores, hotel, offices, condominiums and parking garage, remains the preeminent mixed-use project in the United States.

According to the ICSC, nighttime shopping was inaugurated at Town & Country Shopping Center in Columbus, Ohio, when developer Don Casto hired Grandma Carver (a woman who dived from a 90-foot perch into a 4-foot pool of flaming water) to perform her act in the lighted parking lot, bringing shopping center promotion to a new level.

During the 1970s, a number of new formats and shopping center types evolved. In 1976, the Columbia, South Carolina-based Rouse Co. developed Faneuil Hall Marketplace in Boston, which was the first of the festival marketplaces—a mall created in a historic location. Four years later, buoyed by its success in Boston, the Rouse Co. opened Harbor Place in downtown Baltimore, Maryland, with new buildings constructed along a historic waterfront. In Washington, D.C., Union Station is an example of a festival marketplace. The bustling station, situated a few blocks from the Capitol, has played host to 17 U.S.

Presidents and countless foreign dignitaries.

The 1980s was a period of unparalleled growth in the shopping center industry, with more than 16,000 centers built between 1980 and 1990, according to the ICSC. By the 1990s, factory outlet centers—like Potomac Mills on the outskirts of Washington, D.C., and a major tourist attraction in Virginia—were among the fastest growing segments of the industry.

As the 1990s drew to a close, Internet retailing was heralded as the wave of the future. In July 1998, *Time* magazine predicted the demise of the shopping mall. The magazine's cover advised its readers: "Kiss Your Mall Good-Bye: Online Shopping Is Cheaper, Quicker and Better."

While the cover was purely sensational, the tone was clear, the ICSC notes in *A Brief History of Shopping Centers*. The shopping center industry was under attack, yet again, from an alternative

"Fearing the cannibalization of store sales, brick-and-mortar retailers at first were hesitant to sell directly to the public via the Internet," the ICSC publication says. "However, when it became apparent that they had some clear advantages over pure Internet retailers (brand name recognition, distribution facilities, supplier relationships, ability to accept returns at stores, etc.) brick-and-mortar retailers launched their own Web sites. These advantages quickly paid off...." In 1998, conventional retailers' Web sites captured 60 percent of online sales.

The idea of entertainment has changed over the years. In Las Vegas, Grand Canal Shops at the Venetian, in the heart of the Nevada desert, features a gondola on a canal in the 500,000-square-foot shopping center. "As you shop, you can enjoy imitations of what they call Venetian 'street-mosphere,' including the Grand Canal,



Courtesy Mall of America

shopping format. Several years earlier, similar claims were made about the impact home television shopping would have on the industry. Unlike home television shopping, Internet retailing quickly captured the attention of the public, the media and Wall Street as companies rushed to develop Web sites that would sell directly to consumers.

The Kite Eating Tree inside Camp Snoopy in Mall of America. Named after newspaper comic strip character Charlie Brown's kites, which keep landing in a "kite eating tree," this joy ride swings people around its trunk and over eight meters above the ground.

Saint Mark's Square, and a wide range of strolling musicians and magicians. Overhead, an electronic sky changes throughout the day," says Farrell.

The Mall of America in Bloomington, Minnesota, boasts the nation's largest indoor family theme park (Camp Snoopy), a 4.5-million-liter walk-through aquarium, a 14-screen movie theater, eight nightclubs, restaurants, more than 520 shops and other attractions. Opened in August 1992, the 4.2-million-square-foot complex, which cost \$650 million to build, is the largest retail and entertainment complex in the United States. Minnesota's professional baseball and football teams, the Twins and the Vikings, moved from Met Stadium in Bloomington to the Metrodome in downtown Minneapolis in 1982. The loss hit Bloomington hard but also gave the city 32 hectares of prime real estate. Four years later, the Ghermezian brothers, who had just built the world's largest retail and entertainment center—West Edmonton Mall in Alberta, Canada—signed a deal with the Bloomington Port Authority and teamed up with Melvin Simon and Associates to make Mall of America a reality.

Mall of America generates more than \$1.7 billion each year and has put Minnesota on the map as a tourist destination. In fact, the Mall management says, tourism accounts for four out of every 10 visits to the mall, the first in the industry to mix retail and entertainment. Dubbed the "Hollywood of the Midwest," Mall of America has been a site for movies *Jingle All the Way* and *Mighty Ducks* and the world premiere of *Ice Age*.

Most malls in the United States were built in the 1970s and '80s along traditional lines, but many new malls are turning to the Main Street concept that replicates the old-time downtowns for which shoppers are nostalgic. Patrice Duker, ICSC's manager of media relations, says malls today "are trying to be something for everyone." Many have included enter-

tainment opportunities—movie multiplexes, themed restaurants, carousels and skating rinks.

According to the ICSC, there are more than 100 such lifestyle centers across the United States.

The impetus for these projects comes from a slowdown in the construction of new regional malls and the need of national specialty chains to find a new platform to support store growth. Also important is the desire of many consumers to combine the convenience of a strip shopping center with the panache of upscale retailers. Lifestyle centers are most often located near affluent residential neighborhoods. They typically range from 150,000 to 500,000 square feet of leasable retail area. Defining features of these centers are open-air configuration, high-end national chain specialty stores, one or more sit-down restaurants and often a movie multiplex. The retail layouts and street patterns often reflect a Main Street type ambience.

But some malls are moving away from that theme. "People are very comfortable with the typical mall—a large, enclosed space with department stores and anchors," says Duker. "There are malls that have renovated and expanded to include different concepts of downtown feeling to them. In some cases the redesign is part of an effort to make an area unique on a competitive front. People are spending a lot of time in malls and developers are looking to make attractive properties."

Between 2002 and 2003, 36 malls reinvented themselves because the original concepts didn't meet what the consumers wanted. Last September, the Mills Corporation announced plans to renovate Potomac Mills, the second largest enclosed shopping center in Virginia.

The renovation efforts will focus on redesigning the nine shopping neighborhoods into five geographically distinct areas: mountain, valley, hill, plain, and coast. Within each of the five areas, the floor

and ceiling treatments will change patterns and colors, creating a more customer-friendly navigation system as customers' transition from one shopping area to the next.

In Ohio, the corporation revamped its Cincinnati Mills to include two educational and interactive play areas for children. Developed in partnership with a Public Broadcasting Service television series, PBS Kids BackyardSM is a free place for families to play, learn and explore together. The mall always will be a social experience, says Duker.

So are shopping centers a good, or a bad thing? "The answer, of course, is 'Yes, they are!'" says Farrell. Malls are an American cultural phenomenon. Farrell says they "tell us a lot about America, revealing cultural patterns that we usually don't see. They are places where we act out our values." Despite the challenge of e-commerce, he says, people like the pleasures of meeting and being seen with other people. He is confident that malls "will be O.K."

Many academics are disdainful of shopping centers, but Farrell says he finds much to appreciate. "Malls are a place for American conversations," he says. The retailers tell stories about "the good life," and about America.

The lingerie and women's clothing store Victoria's Secret, Farrell explains, is a romance novel; about bodies and beauty, about femininity and masculinity. Sportsmart and Foot Locker are the sports page of the mall, telling stories about the games we play, about striving and success, and about embodiment in American culture. Toy stores and GapKids tell stories about what it means to be a child, and what it means to grow up. Abercrombie & Fitch combines adventure stories with coming-of-age stories. The Gap started by telling stories about the generation gap, but now their stories are about "cool" characters and their "casual" lives. The stories of progress at Radio Shack are often futuristic fantasies, while Hot Topic

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Courtesy The Venetian



Courtesy General Growth Opportunities Inc.

Far left: The Grand Canal Shops at the Venetian Hotel in Las Vegas features rides in an authentic Italian gondola, providing shoppers a taste of Venice in the heart of the Nevada desert.

Left: In the 1980s, Baltimore's Inner Harbor was transformed from a derelict waterfront to a festival marketplace. Harbor Place offers a mix of shopping center and attractive public space.

tells stories about individualism and conformity, dissent and deviance. The Rainforest Café tells adventure and nature stories. The department stores tell stories about abundance and choice.

Malls have contributed to suburban sprawl, but Farrell says opinions on this are a lot like the chicken-and-egg argument. "Malls go to the suburbs because people are moving there, but people do move to the suburbs because of the malls." The biggest problem malls pose, he says, "is that they are the tip of the iceberg of an environmental disaster. We just use so much stuff without thinking about it."

In Sausalito, California, a picturesque tourist destination across the Golden Gate Bridge from San Francisco, residents have long opposed the construction of a sprawling shopping complex in their midst. George Stratigos, former vice mayor of Sausalito, says successful businesses have always led to an increase in traffic, and that's the last thing this idyllic city's residents want. But, he says, the community is not opposed to shops that are "exciting and useful to tourists and residents." The Village Fair—a group of stores once locat-

ed in downtown Sausalito, put the former fishing village on the tourist map with its unique offerings.

"Malls cost a fortune and you need credit tenants," says Farrell. "The most important [credit tenant] is GAP. Once it commits to go to a mall you know you're going to have good traffic there. So you get a mix of similar stores at malls across the country."

It's precisely this homogeneity that Stratigos finds boring. "American malls lack uniqueness. All they're about is retail and a little side entertainment," he says. He suggests public libraries should be at the centers of malls. "Shopping malls allow themselves to become closer to the community if they focus on more than just retail."

Duker says there is a growing trend toward adding "non-traditional anchors like post offices and libraries" at malls.

The ICSC reported that in 2000, America's shopping centers served 196 million customers a month. They employed more than 10.6 million workers, which is about eight percent of the non-farm workforce in the country. Malls

also generate \$46.6 billion in sales taxes, accounting for almost half of all state tax revenue. In a 2003 survey, ICSC found that on average, shoppers make 9.5 visits during any three-month period, or 38 trips to malls annually. Malls have made a difference, says Duker. "Besides being large generators of sales tax that goes to build local services and help communities, malls have become a gathering place. They serve as an old town square."

After 9/11, residents in Everett in Washington state, gathered at the Everett Mall, where an open space was converted into a memorial to those who died in the attacks. Some malls have places where children can display art, while others have spaces for seniors to exercise indoors. "We have learned that not one approach works; there can't be a cookie-cutter approach," Duker says, adding, "We've had growing pains, but overall, the industry is strong and will continue to evolve and renovate itself." □

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